

In re: HIGHER EDUCATION MANAGEMENT GROUP, § Case No. 15-28724-JKS  
§  
§  
Debtor(s) §

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### TRUSTEE'S FINAL REPORT (TFR)

The undersigned trustee hereby makes this Final Report and states as follows:

1. A petition under Chapter 7 of the United States Bankruptcy Code was filed on October 03, 2015. The undersigned trustee was appointed on October 05, 2015.
2. The trustee faithfully and properly fulfilled the duties enumerated in 11 U.S.C. §704.
3. All scheduled and known assets of the estate have been reduced to cash, released to the debtor as exempt property pursuant to 11 U.S.C. § 522, or have been or will be abandoned pursuant to 11 U.S.C. § 554. An individual estate property record and report showing the disposition of all property of the estate is attached as **Exhibit A**.
4. The trustee realized the gross receipts of \$ 927,980.76

Funds were disbursed in the following amounts:

Payments made under an interim distribution	<u>0.00</u>
Administrative expenses	<u>380,211.42</u>
Bank service fees	<u>0.00</u>
Other payments to creditors	<u>0.00</u>
Non-estate funds paid to 3rd Parties	<u>0.00</u>
Exemptions paid to the debtor	<u>0.00</u>
Other payments to the debtor	<u>0.00</u>
Leaving a balance on hand of <sup>1</sup>	\$ <u>547,769.34</u>

The remaining funds are available for distribution.

5. Attached as **Exhibit B** is a cash receipts and disbursements record for each estate bank account.

<sup>1</sup> The balance of funds on hand in the estate may continue to earn interest until disbursed. The interest earned prior to disbursement will be distributed pro rata to creditors within each priority category. The trustee may receive additional compensation not to exceed the maximum compensation set forth under 11 U.S.C. § 326(a) on account of the disbursement of the additional interest.

6. The deadline for filing non-governmental claims in this case was 03/21/2017 and the deadline for filing governmental claims was 03/21/2017. All claims of each class which will receive a distribution have been examined and any objections to the allowance of claims have been resolved. If applicable, a claims analysis, explaining why payment on any claim is not being made, is attached as **Exhibit C**.

7. The Trustee's proposed distribution is attached as **Exhibit D**.

8. Pursuant to 11 U.S.C. § 326(a), the maximum compensation allowable to the trustee is \$49,649.04. To the extent that additional interest is earned before case closing, the maximum compensation may increase.

The trustee has received \$0.00 as interim compensation and now requests the sum of \$49,649.04, for a total compensation of \$49,649.04.<sup>2</sup> In addition, the trustee received reimbursement for reasonable and necessary expenses in the amount of \$0.00 and now requests reimbursement for expenses of \$0.00, for total expenses of \$0.00.<sup>2</sup>

Pursuant to Fed R Bank P 5009, I hereby certify, under penalty of perjury, that the foregoing report is true and correct.

Date: 06/01/2021 By: /s/STEVEN P. KARTZMAN

Trustee

**STATEMENT:** This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

<sup>2</sup> If the estate is administratively insolvent, the dollar amounts reflected in this paragraph may be higher than the amounts listed in the Trustee's Proposed Distribution (Exhibit D)

# Form 1

## Individual Estate Property Record and Report

### Asset Cases

Case Number: 15-28724-JKS

Trustee: (500160) STEVEN P. KARTZMAN

Case Name: HIGHER EDUCATION MANAGEMENT GROUP,

Filed (f) or Converted (c): 10/03/15 (f)

§341(a) Meeting Date: 11/12/15

Period Ending: 06/01/21

Claims Bar Date: 03/21/17

1 Asset Description (Scheduled And Unscheduled (u) Property) Ref. #	2 Petition/ Unscheduled Values	3 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	4 Property Abandoned OA=\$554(a)	5 Sale/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1 CHASE BUSINESS ACCOUNT	60.00	0.00		0.00	FA
2 ASPEN UNIVERSITY - CONSULTING FEE	125,000.00	0.00		0.00	FA
3 ASPEN UNIVERSITY - LAWSUIT PENDING BUT STAYED AS A RESULT OF FILING - JEFF NORTON	0.00	0.00		0.00	FA
4 VOID	0.00	0.00		0.00	FA
5 10,500 SHARES IN ASPEN UNIVERSITY (u)	6,125.00	6,125.00		8,271.62	FA
6 AVOIDABLE TRANSFERS (u)	700,000.00	700,000.00		919,690.75	FA
7 INTEREST FROM AVOIDABLE TRANSFERS (u)	Unknown	N/A		18.39	FA
7 Assets Totals (Excluding unknown values)	\$831,185.00	\$706,125.00		\$927,980.76	\$0.00

#### Major Activities Affecting Case Closing:

PROP #6 - TRUSTEE FILED THREE ADVERSARY PROCEEDINGS TO AVOID LIENS SO AS TO BE ABLE TO RETRIEVE AND LIQUIDATE SHARES. COL 6  
VALUE AT \$7.00 PER SHARE AFTER REVERSE 12/1 SPLIT.

PROP #6:

ADVERSARY PROCEEDINGS WERE FILED IN EARLY 2018:

18-1004 - AGAINST HOTT AND VANLIEW FOR RECOVERY OF 208,333 SHARES IN ASPEN GROUP, SETTLED FOR 67,708 SHARES

18-1079 - AGAINST MOONEY FOR RECOVERY OF 75,658 SHARES IN ASPEN GROUP, SETTLED FOR 20,269 SHARES

18-1081 - AGAINST N. SPADA FOR RECOVERY OF 86,588 SHARES IN ASPEN GROUP, SETTLED FOR 25,977 SHARES

TRUSTEE SOLD ALL STOCK, AND FILED TAX RETURNS.

Initial Projected Date Of Final Report (TFR): June 30, 2018

Current Projected Date Of Final Report (TFR): February 17, 2021 (Actual)

## Form 2

### Cash Receipts And Disbursements Record

Case Number: 15-28724-JKS

Case Name: HIGHER EDUCATION MANAGEMENT GROUP,

Taxpayer ID #: \*\*-\*\*\*8069

Period Ending: 06/01/21

Trustee: STEVEN P. KARTZMAN (500160)

Bank Name: Mechanics Bank

Account: \*\*\*\*\*7766 - Checking Account

Blanket Bond: \$48,786,725.00 (per case limit)

Separate Bond: N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	T-Code	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
01/30/20		WELLS FARGO CLEANING SERVICE	STOCK SALES		916,215.23		916,215.23
	{6}		stock sales 919,690.75	1241-000			916,215.23
		WELLS FARGO	payment of fees to Wells Fargo as broker -3,444.87	3991-000			916,215.23
		WELLS FARGO	expenses paid to Well Fargo as broker -49.00	3992-000			916,215.23
	{7}		interest re: asset #6 18.35	1270-000			916,215.23
02/12/20	101	CLERK - U.S. Bankruptcy Court, District of N.J.	FILING FEE ADV PRO 17-1706	2700-000		350.00	915,865.23
02/12/20	102	CLERK - U.S. Bankruptcy Court, District of N.J.	FILING FEE ADV PRO 18-1004	2700-000		350.00	915,515.23
02/12/20	103	CLERK - U.S. Bankruptcy Court, District of N.J.	FILING FEE ADV PRO 18-1079	2700-000		350.00	915,165.23
02/12/20	104	CLERK - U.S. Bankruptcy Court, District of N.J.	FILING FEE ADV PRO 18-1081	2700-000		350.00	914,815.23
02/23/20	105	HELLRING LINDEMAN GOLDSTEIN & SIEGAL, LLP.	FEE (50%) FOR RICHARD B. HONIG, ESQ. MEDIATOR FOR TRUSTEE	3721-000		1,744.58	913,070.65
02/26/20	106	MELLINGER, SANDERS & KARTZMAN, LLC	FEE FOR ATTY TO TRUSTEE PER ORDER DATED 12/23/19	3110-000		219,782.00	693,288.65
02/26/20	107	MELLINGER, SANDERS & KARTZMAN, LLC	EXPENSES FOR ATTY TO TRUSTEE PER ORDER 12/23/19	3120-000		3,013.70	690,274.95
03/03/20	108	INTERNATIONAL SURETIES, LTD.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 03/03/2020 FOR CASE #15-28724, 2020 Bond Payment - Bond #016026384	2300-000		269.91	690,005.04
03/11/20	{5}	WELLS FARGO CLEARING	PROCEEDS OF SALE OF FINAL 875 SHARES	1229-000	8,271.62		698,276.66
03/20/20	{7}	WELLS FARGO CLEARING	INTEREST ON PROCEEDS OF 875 SHARES	1270-000	0.04		698,276.70
03/31/20		Mechanics Bank	Bank and Technology Services Fee	2600-000		558.04	697,718.66
04/30/20		Mechanics Bank	Bank and Technology Services Fee	2600-000		1,115.20	696,603.46
05/29/20		Mechanics Bank	Bank and Technology Services Fee	2600-000		1,076.30	695,527.16
06/16/20		Mechanics Bank	Bank and Technology Services Fee Adjustment	2600-000		-1,673.24	697,200.40
07/15/20		Mechanics Bank	Bank and Technology Services Fee Adjustment	2600-000		-1,076.30	698,276.70
12/03/20	109	WITHUM SMITH & BROWN	FEE FOR ACCOUNTANT TO TRUSTEE PER ORDER DATED 05/22/20	3410-000		6,465.00	691,811.70

Subtotals : \$924,486.89 \$232,675.19

## Form 2

### Cash Receipts And Disbursements Record

**Case Number:** 15-28724-JKS

**Case Name:** HIGHER EDUCATION MANAGEMENT GROUP,

**Taxpayer ID #:** \*\*-\*\*\*8069

**Period Ending:** 06/01/21

**Trustee:** STEVEN P. KARTZMAN (500160)

**Bank Name:** Mechanics Bank

**Account:** \*\*\*\*\*7766 - Checking Account

**Blanket Bond:** \$48,786,725.00 (per case limit)

**Separate Bond:** N/A

1 Trans. Date	2 {Ref #} / Check #	3 Paid To / Received From	4 Description of Transaction	T-Code	5 Receipts \$	6 Disbursements \$	7 Checking Account Balance
12/14/20	110	MELLINGER KARTZMAN, LLC	FEE FOR ATTY TO TRUSTEE PER ORDER DATED 12/03/20	3110-000		35,921.00	655,890.70
12/14/20	111	MELLINGER KARTZMAN, LLC	FEE FOR ATTY TO TRUSTEE PER ORDER DATED 12/03/20	3110-000		95,000.00	560,890.70
12/14/20	112	MELLINGER KARTZMAN, LLC	EXPENSES FOR ATTY TO TRUSTEE PER ORDER DATED 12/03/20	3120-000		1,989.33	558,901.37
12/29/20	113	UNITED STATES TREASURY	FORM 1120 - PERIOD ENDING 12/31/20 EIN 06-1688069	2810-000		5,596.00	553,305.37
12/29/20	114	STATE OF NEW JERSEY, DIVISION OF TAXATION	FORM CBT-100 PERIOD ENDING 12/31/20; EIN 06-1688069	2820-000		1,852.00	551,453.37
02/02/21	115	INTERNATIONAL SURETIES, LTD.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 02/02/2021 FOR CASE #15-28724, BOND #016026384 FOR PERIOD 01/01/21 TO 01/01/22 Voided on 02/02/21	2300-004		237.53	551,215.84
02/02/21	115	INTERNATIONAL SURETIES, LTD.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 02/02/2021 FOR CASE #15-28724, BOND #016026384 FOR PERIOD 01/01/21 TO 01/01/22 Voided: check issued on 02/02/21	2300-004		-237.53	551,453.37
02/02/21	116	INTERNATIONAL SURETIES, LTD.	BOND PREMIUM PAYMENT ON LEDGER BALANCE AS OF 02/02/2021 FOR CASE #15-28724, BOND #016026384 FOR PERIOD 01/01/21 TO 01/01/22	2300-000		237.53	551,215.84
03/11/21	117	WITHUM SMITH & BROWN	FEE FOR ACCOUNTANT TO TRUSTEE PER ORDER DATED 03/08/21	3410-000		3,446.50	547,769.34

<b>ACCOUNT TOTALS</b>	<b>924,486.89</b>	<b>376,717.55</b>	<b>\$547,769.34</b>
Less: Bank Transfers	0.00	0.00	
<b>Subtotal</b>	<b>924,486.89</b>	<b>376,717.55</b>	
Less: Payments to Debtors		0.00	
<b>NET Receipts / Disbursements</b>	<b>\$924,486.89</b>	<b>\$376,717.55</b>	

## Form 2

### Cash Receipts And Disbursements Record

**Case Number:** 15-28724-JKS

**Case Name:** HIGHER EDUCATION MANAGEMENT GROUP,

**Taxpayer ID #:** \*\*-\*\*\*8069

**Period Ending:** 06/01/21

**Trustee:** STEVEN P. KARTZMAN (500160)

**Bank Name:** Mechanics Bank

**Account:** \*\*\*\*\*7766 - Checking Account

**Blanket Bond:** \$48,786,725.00 (per case limit)

**Separate Bond:** N/A

1	2	3	4		5	6	7
Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	T-Code	Receipts \$	Disbursements \$	Checking Account Balance

Net Receipts :	924,486.89
Plus Gross Adjustments :	3,493.87
Net Estate :	\$927,980.76

TOTAL - ALL ACCOUNTS	Net Receipts	Net Disbursements	Account Balances
Checking # *****7766	924,486.89	376,717.55	547,769.34
	<u>\$924,486.89</u>	<u>\$376,717.55</u>	<u>\$547,769.34</u>

## EXHIBIT C - Claims Register

Case: 15-28724-JKS HIGHER EDUCATION MANAGEMENT GROUP,

Claims Bar Date: 03/21/17

Claim Number	Claimant Name / <Category>, Priority	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
	STEVEN P. KARTZMAN 101 GIBRALTAR DRIVE SUITE 2F MORRIS PLAINS, NJ 07950 <2100-00 Trustee Compensation>, 200	Admin Ch. 7 10/03/15		\$49,649.04 \$49,649.04	\$0.00	\$49,649.04
	MELLINGER, SANDERS & KARTZMAN, LLC 101 GIBRALTAR DRIVE, SUITE 2F  MORRIS PLAINS, NJ 07950 <3110-00 Attorney for Trustee Fees (Trustee Firm)>, 200	Admin Ch. 7 10/03/15	PAID PER ORDER 12/23/19, and 12/03/20	\$350,703.00 \$350,703.00	\$350,703.00	\$0.00
	MELLINGER KARTZMAN, LLC 101 GIBRALTAR DRIVE, SUITE 2F  MORRIS PLAINS, NJ 07950 <3120-00 Attorney for Trustee Expenses (Trustee Firm)>, 200	Admin Ch. 7 10/03/15	PER ORDER 12/03/20 AND ORDER 12/23/19	\$5,003.03 \$5,003.03	\$5,003.03	\$0.00
	WITHUM SMITH & BROWN ACCOUNTS PAYABLE PO BOX 5340 PRINCETON, NJ 08543 <3410-00 Accountant for Trustee Fees (Other Firm)>, 200	Admin Ch. 7 10/03/15	PAID PER ORDER 05/22/20	\$6,465.00 \$6,465.00	\$6,465.00	\$0.00
	WITHUM SMITH & BROWN ACCOUNTS PAYABLE PO BOX 5340 PRINCETON, NJ 08543 <3410-00 Accountant for Trustee Fees (Other Firm)>, 200	Admin Ch. 7 10/03/15		\$3,446.50 \$3,446.50	\$3,446.50	\$0.00
	HELLRING LINDEMAN GOLDSTEIN & SIEGAL, LLP. ONE GATEWAY CENTER NEWARK, NJ 07102-5386 <3721-00 Arbitrator/Mediator for Trustee Fees>, 200	Admin Ch. 7 10/03/15		\$1,744.58 \$1,744.58	\$1,744.58	\$0.00
	WELLS FARGO   <3991-00 Other Professional Fees>, 200	Admin Ch. 7 10/03/15	PER ORDER 03/05/20; PAID BY NETTING OUT OF GROSS SALES PROCEEDS	\$3,444.87 \$3,444.87	\$3,444.87	\$0.00
	WELLS FARGO   <3992-00 Other Professional Expenses>, 200	Admin Ch. 7 10/03/15	PER ORDER 03/05/20; PAID BY NETTING OUT OF GROSS SALES PROCEEDS	\$49.00 \$49.00	\$49.00	\$0.00

## EXHIBIT C - Claims Register

Case: 15-28724-JKS HIGHER EDUCATION MANAGEMENT GROUP,

Claims Bar Date: 03/21/17

Claim Number	Claimant Name / <Category>, Priority	Claim Type/ Date Filed	Claim Ref./ Notes	Amount Filed/ Allowed	Paid to Date	Claim Balance
1 -2	Aspen Group, Inc. and Aspen University, Inc. c/o Kaplan Kravet & Vogel P.C. 630 Third Avenue New York, NY 10017 <7100-00 General Unsecured § 726(a)(2)>, 610	Unsecured 10/15/15	AMOUNT AND UNSECURED PER ORDER 02/08/19	\$6,688,631.20 \$888,631.20	\$0.00	\$888,631.20
2	Patrick Spada 144 Vista Drive  Cedar Knolls, NJ 07927 <7100-00 General Unsecured § 726(a)(2)>, 610	Unsecured 03/21/17	DISALLOWED PER ORDER 08/23/18	\$1,200,000.00 \$0.00	\$0.00	\$0.00
3	Hands On Technology Transfer, Inc. c/o Larry K. Lesnik, Esq.,Rabinowitz, Lubetkin & Tully, LLC,293 Eisenhower Par Livingston, NJ 07039  <7200-00 Tardy General Unsecured § 726(a)(3)>, 620	Unsecured 06/13/18	DISALLOWED PER PARA 4 OF STIPULATION OF SETTLEMENT APPROVED BY ORDER OF 11/14/19	\$1,688,190.50 \$0.00	\$0.00	\$0.00
4	Roland Van Liew c/o Larry K. Lesnik, Esq.,Rabinowitz, Lubetkin & Tully, LLC,293 Eisenhower Par Livingston, NJ 07039  <7200-00 Tardy General Unsecured § 726(a)(3)>, 620	Unsecured 06/13/18	DISALLOWED PER PARA 4 OF STIPULATION OF SETTLEMENT APPROVED BY ORDER OF 11/14/19	\$1,688,190.50 \$0.00	\$0.00	\$0.00
Case Total:					\$370,855.98	\$938,280.24



**TRUSTEE'S PROPOSED DISTRIBUTION**

Exhibit D

Case No.: 15-28724-JKS

Case Name: HIGHER EDUCATION MANAGEMENT GROUP,

Trustee Name: STEVEN P. KARTZMAN

**Balance on hand:** \$ 547,769.34

Claims of secured creditors will be paid as follows:

Claim No.	Claimant	Claim Asserted	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None					

Total to be paid to secured creditors: \$ 0.00

Remaining balance: \$ 547,769.34

Applications for chapter 7 fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Trustee, Fees - STEVEN P. KARTZMAN	49,649.04	0.00	49,649.04
Attorney for Trustee, Fees - MELLINGER, SANDERS & KARTZMAN, LLC	350,703.00	350,703.00	0.00
Attorney for Trustee, Expenses - MELLINGER KARTZMAN, LLC	5,003.03	5,003.03	0.00
Accountant for Trustee, Fees - WITHUM SMITH & BROWN	9,911.50	9,911.50	0.00
Other Fees: HELLRING LINDEMAN GOLDSTEIN & SIEGAL, LLP.	1,744.58	1,744.58	0.00
Other Expenses: WELLS FARGO	49.00	49.00	0.00
Other Fees: WELLS FARGO	3,444.87	3,444.87	0.00

Total to be paid for chapter 7 administration expenses: \$ 49,649.04

Remaining balance: \$ 498,120.30

Applications for prior chapter fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
None			

Total to be paid for prior chapter administrative expenses: \$ 0.00

Remaining balance: \$ 498,120.30

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$0.00 must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None				

Total to be paid for priority claims: \$ 0.00

Remaining balance: \$ 498,120.30

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$ 888,631.20 have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full. The timely allowed general (unsecured) dividend is anticipated to be 56.1 percent, plus interest (if applicable).

Timely allowed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
1 -2	Aspen Group, Inc. and Aspen University, Inc.	888,631.20	0.00	498,120.30
2	Patrick Spada	0.00	0.00	0.00

Total to be paid for timely general unsecured claims: \$ 498,120.30

Remaining balance: \$ 0.00

Tardily filed claims of general (unsecured) creditors totaling \$ 0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be 0.0 percent, plus interest (if applicable).

Tardily filed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
3	Hands On Technology Transfer, Inc.	0.00	0.00	0.00
4	Roland Van Liew	0.00	0.00	0.00

Total to be paid for tardy general unsecured claims: \$ 0.00

Remaining balance: \$ 0.00

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$ 0.00 have been allowed and will be paid pro rata only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be 0.0 percent, plus interest (if applicable).

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None				

Total to be paid for subordinated claims: \$ 0.00

Remaining balance: \$ 0.00